

CITY OF ENSIGN, KANSAS

**FINANCIAL STATEMENT
with
INDEPENDENT AUDITOR'S REPORT
YEAR ENDED DECEMBER 31, 2012**

CITY OF ENSIGN, KANSAS

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INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and City Council
City of Ensign, Kansas

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of the City of Ensign, Kansas, as of and for the year ended December 31, 2012, and the related notes to the financial statement.

Management's Responsibility for the Financial Statement

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the *Kansas Municipal Audit and Accounting Guide* as described in Note A to meet the financial reporting requirements of the State of Kansas. Management is also responsible for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the *Kansas Municipal Audit and Accounting Guide*. Those standards require we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note A, the financial statement is prepared by the City of Ensign, Kansas to meet the requirements of the State of Kansas on the basis of the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide*, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

The effects on the financial statement of the variances between the regulatory basis of accounting described in Note A and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the “Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles” paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the City of Ensign, Kansas as of December 31, 2012, or changes in financial position and cash flows thereof for the year then ended.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balances of the City of Ensign, Kansas as of December 31, 2012, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* described in Note A.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The summary of regulatory basis expenditures-actual and budget and the individual fund schedules of regulatory basis receipts and expenditures-actual and budget (Schedules 1 and 2 as listed in the table of contents) are presented for analysis and are not a required part of the basic financial statement, however are required to be presented under the provisions of the *Kansas Municipal Audit and Accounting Guide*. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statement as a whole, on the basis of accounting described in Note A.

The 2011 Actual columns presented in the individual fund schedules of receipts and expenditures-actual and budget (Schedule 2 as listed in the table of contents) upon which we rendered a qualified opinion dated October 25, 2013 are also presented for comparative analysis and are not a required part of the 2012 financial statement. The 2011 financial statements and our accompanying report are not presented herein, but are available at Ensign City Hall. Such 2011 comparative information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2011 financial statements. The 2011 comparative information was subjected to the auditing procedures applied in the audit of the 2011 financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2011 financial statements or to the 2011 financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2011 comparative information is fairly stated in all material respects in relation to the 2011 financial statements as a whole.

Kennedy McKee & Company LLP

October 25, 2013

CITY OF ENSIGN, KANSAS

SUMMARY STATEMENT OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH REGULATORY BASIS

For the Year Ended December 31, 2012

<u>Fund</u>	<u>Beginning unencumbered cash balance</u>	<u>Prior year canceled encumbrances</u>	<u>Receipts</u>
General fund	\$ 43,752	\$ -	\$ 136,047
Special purpose fund:			
Special highway	13,759	-	4,897
Business funds:			
Water	13,520	-	65,295
Trash	45,616	-	14,490
Sewer	48,326	-	28,014
Total	<u>\$ 164,973</u>	<u>\$ -</u>	<u>\$ 248,743</u>

Composition of cash balance:

- Checking account
- Savings account
- Certificate of deposit
- Cash on hand

Total cash

The notes to the financial statement are an integral part of this statement.

STATEMENT 1

<u>Expenditures</u>	<u>Ending unencumbered cash balance</u>	<u>Add encumbrances and accounts payable</u>	<u>Ending cash balance</u>
\$ 179,275	\$ 524	\$ 5,767	\$ 6,291
18,405	251	829	1,080
59,314	19,501	2,250	21,751
18,000	42,106	2,049	44,155
6,000	70,340	-	70,340
<u>\$ 280,994</u>	<u>\$ 132,722</u>	<u>\$ 10,895</u>	<u>\$ 143,617</u>
			\$ 19,156
			102,609
			21,352
			<u>500</u>
			<u>\$ 143,617</u>

CITY OF ENSIGN, KANSAS

NOTES TO FINANCIAL STATEMENT

December 31, 2012

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

This summary of significant accounting policies applied in the preparation of the accompanying financial statement is presented to assist in understanding the City's financial statement, which is presented in conformity with the cash basis and budget laws of the State of Kansas. The financial statement and notes are representations of the City's management, which is responsible for their integrity and objectivity.

1. Municipal Financial Reporting Entity

The City of Ensign is a municipal corporation governed by an elected mayor and five-member council. This financial statement includes all funds included in the City's legally adopted budget. The City has no related municipal entities.

2. Basis of Presentation – Fund Accounting

The accounts of the City are organized and operated on the basis of funds. In governmental accounting, a fund is defined as an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance related legal and contractual provisions. The minimum number of funds is maintained consistent with legal and managerial requirements.

The following types of funds comprise the financial activities of the City for the year ended December 31, 2012:

REGULATORY BASIS FUND TYPES

General fund – the chief operating fund. Used to account for all resources except those required to be accounted for in another fund.

Special Purpose fund – used to account for the proceeds of specific tax levies and other specific revenue sources (other than Capital Project and tax levies for long-term debt) that are intended for specified purposes.

Business fund – funds financed in whole or in part by fees charged to users for goods or services (i.e. enterprise and internal services fund etc.)

3. Regulatory Basis of Accounting and Departure from Accounting Principles Generally Accepted in the United States of America

The *Kansas Municipal Audit and Accounting Guide* (KMAAG) regulatory basis of accounting involves the recognition of cash, cash equivalents, marketable investments, and certain accounts payable and encumbrance obligations to arrive at a net unencumbered cash and investments balance on a regulatory basis for each fund, and the reporting of changes in unencumbered cash and investments of a fund resulting from the difference in regulatory basis receipts and regulatory basis expenditures for the fiscal year. All recognized assets and liabilities are measured and reported at cost, unless they have been permanently impaired and have no future cash value or represent no future obligation against cash. The KMAAG regulatory basis does not recognize capital assets, long-term debt, accrued receivables and payables, or any other assets, liabilities or deferred inflows or outflows other than those mentioned above.

The City Council has approved a resolution that is in compliance with K.S.A. 75-1120a(c), waiving the requirement for application of generally accepted accounting principles and allowing the City to use the regulatory basis of accounting.

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4. Budgetary information

Kansas statutes require that an annual operating budget be legally adopted for the general fund, special purpose funds (unless specifically exempted by statute), bond and interest funds, and business funds. Although directory rather than mandatory, the statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

1. Preparation of the budget for the succeeding calendar year on or before August 1st.
2. Publication in local newspaper on or before August 5th of the proposed budget and notice of public hearing on the budget.
3. Public hearing on or before August 15th, but at least ten days after publication of notice of hearing.
4. Adoption of the final budget on or before August 25th.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication, the hearing may be held and the governing body may amend the budget at that time. There were no such budget amendments for 2012.

The statutes permit transferring budgeted amounts between line items within an individual fund. However, such statutes prohibit expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. Budget comparison schedules are presented for each fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

All legal annual operating budgets are prepared using the regulatory basis of accounting, in which revenues are recognized when cash is received and expenditures include disbursements, accounts payable, and encumbrances, with disbursements being adjusted for prior year's accounts payable and encumbrances. Encumbrances are commitments by the municipality for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. Any unused budgeted expenditure authority lapses at year-end.

B. COMPLIANCE WITH KANSAS STATUTES

References made herein to the statutes are not intended as interpretations of law, but are offered for consideration to the Director of Accounts and Reports, Kansas Department of Administration, and interpretation by legal representatives of the City.

The treasurer did not maintain records to show the amount of money in each fund as required by K.S.A. 10-1118.

The City maintains a listing for each utility deposit showing the date received, name of depositor and the amount; however, it does not pay interest on the utility deposits as required by K.S.A. 12-822.

The City has not published an annual financial statement as required by K.S.A. 12-1608.

The budget law provided by K.S.A. 79-2935 prohibits the expenditure of funds in excess of that allowed by budget. Expenditures exceeded the adopted budget of the General fund by \$52,399.

The City does not keep records for each fund showing the budget balance available for appropriation as required by K.S.A. 79-2934.

C. DEPOSITS AND INVESTMENTS

K.S.A. 9-1401 establishes the depositories which may be used by the City. The statute requires banks eligible to hold the City's funds to have a main or branch bank in the county in which the City is located, or in an adjoining county if such institution has been designated as an official depository, and the banks provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the banks to pledge securities for deposits in excess of FDIC coverage. The City has no other policies that would further limit interest rate risk.

K.S.A. 12-1675 limits the City's investment of idle funds to time deposits, open accounts, and certificates of deposit with allowable financial institutions; U.S. government securities; temporary notes; no-fund warrants; repurchase agreements; and the Kansas Municipal Investment Pool. The City has no investment policy that would further limit its investment choices.

Custodial credit risk - deposits. Custodial credit risk is the risk that, in the event of a bank failure, the City's deposits may not be returned to it. State statutes require the City's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka. All deposits were legally secured at December 31, 2012.

At December 31, 2012, the City's carrying amount of deposits was \$143,117 and the bank balance was \$145,205, all of which was covered by FDIC insurance.

D. LONG-TERM DEBT

Changes in long-term liabilities for the City for the year ended December 31, 2012, were as follows:

<u>Issue</u>	<u>Balance beginning of year</u>	<u>Additions/ net change</u>	<u>Reductions/ net change</u>	<u>Balance end of year</u>	<u>Interest paid</u>
General obligation bonds:					
Refunding and Improvements					
Issued August 15, 2008					
In the amount of \$163,000					
At interest rates of 4.00 to 5.00%					
Maturing September 1, 2023	\$ 135,000	\$ -	\$ 10,000	\$ 125,000	\$ 6,300
Capital lease:					
John Deere tractor-loader-backhoe					
and Galion motor grader					
Issued February 2, 2012					
In the amount of \$66,600					
At interest rate of 3.55%					
Maturing March 1, 2016	-	66,600	14,679	51,921	1,236
Total contractual indebtedness	<u>\$ 135,000</u>	<u>\$ 66,600</u>	<u>\$ 24,679</u>	<u>\$ 176,921</u>	<u>\$ 7,536</u>

D. LONG-TERM DEBT (CONTINUED)

Current maturities of general obligation bonds and interest for the next five years and in five year increments through maturity are as follows:

	<u>Principal due</u>	<u>Interest</u>	<u>Total due</u>
2013	\$ 10,000	\$ 5,900	\$ 15,900
2014	10,000	5,500	15,500
2015	10,000	5,050	15,050
2016	10,000	4,600	14,600
2017	10,000	4,150	14,150
2018-2022	60,000	13,450	73,450
2023	<u>15,000</u>	<u>750</u>	<u>15,750</u>
Total	<u>\$ 125,000</u>	<u>\$ 39,400</u>	<u>\$ 164,400</u>

Current maturities of capital lease and interest through maturity are as follows:

	<u>Principal due</u>	<u>Interest</u>	<u>Total due</u>
2013	\$ 14,183	\$ 1,732	\$ 15,915
2014	14,695	1,219	15,914
2015	15,225	689	15,914
2016	<u>7,818</u>	<u>140</u>	<u>7,958</u>
Total	<u>\$ 51,921</u>	<u>\$ 3,780</u>	<u>\$ 55,701</u>

E. DEBT LIMITATION

The amount of long-term debt that can be incurred by the City is limited by K.S.A. 10-308. K.S.A. 10-309 provides for certain exemptions and K.S.A. 10-311 exempts revenue bond issues from the overall limitation. Except as provided in other statutes the total outstanding bonded indebtedness during a year can be no greater than 30% of the assessed value of taxable tangible property as certified to the County Clerk on the preceding August 25. As of December 31, 2012, the City did not have any debt subject to the limitations imposed by K.S.A. 10-308.

F. INTERFUND TRANSFERS

A summary of interfund transfers by type is as follows:

<u>From</u>	<u>To</u>	<u>Regulatory authority</u>	<u>Amount</u>
Operating transfers:			
Water	General	K.S.A. 12-825d	\$ 15,556
Trash	General	K.S.A. 12-825d	4,648
Sewer	General	K.S.A. 12-825d	<u>3,000</u>
			<u>\$ 23,204</u>

G. RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City purchases commercial insurance to cover these risks. There have been no significant reductions in coverage from the prior year. Settled claims have not exceeded coverage in any of the past three years.

During the ordinary course of its operations the City is a party to various claims, legal actions and complaints. It is the opinion of the City's management and legal counsel that these matters are not anticipated to have a material financial impact on the City.

H. SUBSEQUENT EVENTS

Management has evaluated subsequent events through October 25, 2013, the date on which the financial statement was available to be issued. Management's evaluation concluded that the following subsequent event was required to be recognized or disclosed in the financial statement:

In March 2012 the City entered into a grant agreement with the State of Kansas Department of Commerce for the construction of a sewer treatment plant. The projected total cost is \$681,410, of which 50% will be paid from grant funds, and 50% will be financed through the Kansas Department of Health and Environment. As of December 31, 2012, construction had not started on this project. The anticipated completion date is March 31, 2014.

**REGULATORY REQUIRED
SUPPLEMENTARY INFORMATION**

CITY OF ENSIGN, KANSAS

SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2012

<u>Fund</u>	<u>Certified budget</u>	<u>Adjustment for qualifying budget credits</u>	<u>Total budget for comparison</u>	<u>Expenditures chargeable to current year</u>	<u>Variance favorable (unfavorable)</u>
General fund	\$ 126,876	\$ -	\$ 126,876	\$ 179,275	\$ (52,399)
Special purpose fund:					
Special highway	19,562	-	19,562	18,405	1,157
Business funds:					
Water	59,314	-	59,314	59,314	-
Trash	18,000	-	18,000	18,000	-
Sewer	29,400	-	29,400	6,000	23,400
Total	<u>\$ 253,152</u>	<u>\$ -</u>	<u>\$ 253,152</u>	<u>\$ 280,994</u>	<u>\$ (27,842)</u>

See Independent Auditor's Report.

CITY OF ENSIGN, KANSAS

GENERAL FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2012
(With Comparative Actual Totals for the Prior Year Ended December 31, 2011)

	2011	2012		Variance favorable (unfavorable)
		Actual	Budget	
Cash receipts:				
Taxes:				
Ad valorem tax	\$ 44,631	\$ 45,161	\$ 45,631	\$ (470)
Delinquent tax	448	2,073	100	1,973
Motor vehicle tax	5,547	5,948	6,013	(65)
Recreational vehicle tax	129	114	129	(15)
16/20M truck tax	170	90	189	(99)
Intangibles tax	660	898	898	-
Shared revenue:				
State tax disbursement	15,045	19,771	13,400	6,371
Franchise tax	13,680	26,710	20,000	6,710
Licenses, permits and fees	-	430	-	430
Court income	95	-	-	-
Gray County fire department	1,300	750	800	(50)
Interest	2,014	1,196	1,000	196
Post office rent	-	2,100	-	2,100
Event committee donations	-	2,725	-	2,725
Fire department donations	-	2,500	-	2,500
Insurance Proceeds	-	2,000	-	2,000
Miscellaneous	-	377	500	(123)
Transfers in:				
Water fund	-	15,556	-	15,556
Trash fund	-	4,648	-	4,648
Sewer fund	-	3,000	-	3,000
Total cash receipts	83,719	136,047	\$ 88,660	\$ 47,387
Expenditures:				
Salaries and wages	23,418	37,528	\$ 25,000	\$ (12,528)
Employee benefits	8,534	9,615	9,000	(615)
Utilities	12,301	13,930	10,000	(3,930)
Insurance	4,576	5,495	4,700	(795)
Fire department	4,090	3,755	5,000	1,245
Office supplies and postage	3,178	8,741	3,200	(5,541)
Capital outlay	-	49,800	48,476	(1,324)
Car wash	818	3,574	2,700	(874)
Community resource building	1,893	2,688	2,000	(688)
Council pay	1,740	2,045	1,800	(245)
Due and fees	1,114	667	800	133
Park	2,563	7,949	2,900	(5,049)
Publishing	1,492	982	300	(682)
Repairs and maintenance	5,260	4,115	5,000	885
Travel	-	3,171	-	(3,171)
City hall repairs	50	1,608	500	(1,108)
City streets	520	1,892	500	(1,392)
Miscellaneous	4,639	2,279	5,000	2,721
Legal and professional fees	7,155	11,430	-	(11,430)
Ensign events	-	8,011	-	(8,011)
Total expenditures	83,341	179,275	\$ 126,876	\$ (52,399)
Receipts over (under) expenditures	378	(43,228)		
Unencumbered cash, beginning of year	43,374	43,752	\$ 38,216	\$ 5,536
Unencumbered cash, end of year	\$ 43,752	\$ 524		

See Independent Auditor's Report.

CITY OF ENSIGN, KANSAS

SPECIAL HIGHWAY FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2012
(With Comparative Actual Totals for the Prior Year Ended December 31, 2011)

		2012		Variance
	2011	Actual	Budget	favorable (unfavorable)
Cash receipts:				
State of Kansas gas tax	\$ 5,062	\$ 4,897	\$ 5,170	\$ (273)
Expenditures:				
Fuel	1,506	2,490	\$ -	\$ (2,490)
Street repair and maintenance	3,949	-	19,562	19,562
Capital lease	-	15,915	-	(15,915)
Total expenditures	5,455	18,405	\$ 19,562	\$ 1,157
Receipts over (under) expenditures	(393)	(13,508)		
Unencumbered cash, beginning of year	14,152	13,759	\$ 14,392	\$ (633)
Unencumbered cash, end of year	\$ 13,759	\$ 251		

See Independent Auditor's Report.

CITY OF ENSIGN, KANSAS

WATER FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2012
(With Comparative Actual Totals for the Prior Year Ended December 31, 2011)

		2012		Variance
	2011	Actual	Budget	favorable (unfavorable)
Cash receipts:				
Charges for service	\$ 52,257	\$ 65,295	\$ 52,000	\$ 13,295
Miscellaneous	-	-	1,000	(1,000)
Total cash receipts	52,257	65,295	\$ 53,000	\$ 12,295
Expenditures:				
Salaries and benefits	10,000	10,000	\$ 10,000	\$ -
Repairs, maintenance and supplies	6,497	12,364	15,000	2,636
Utilities	3,662	4,010	6,000	1,990
Debt service	16,700	16,300	16,300	-
Capital outlay	3,149	-	5,814	5,814
Sales tax and water protection fee	571	1,036	700	(336)
Legal and accounting	4,145	-	3,500	3,500
Licenses and permits	108	48	1,000	952
Contract labor	5	-	-	-
Miscellaneous	-	-	1,000	1,000
Transfer to General fund	-	15,556	-	(15,556)
Total expenditures	44,837	59,314	\$ 59,314	\$ -
Receipts over (under) expenditures	7,420	5,981		
Unencumbered cash, beginning of year	6,100	13,520	\$ 6,314	\$ 7,206
Unencumbered cash, end of year	\$ 13,520	\$ 19,501		

See Independent Auditor's Report.

CITY OF ENSIGN, KANSAS

TRASH FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2012
(With Comparative Actual Totals for the Prior Year Ended December 31, 2011)

		2012		
	2011	Actual	Budget	Variance favorable (unfavorable)
Cash receipts:				
Charges for service	\$ 16,426	\$ 14,490	\$ 18,000	\$ (3,510)
Expenditures:				
Trash contractor	11,963	13,352	\$ 18,000	\$ 4,648
Transfer to General fund	-	4,648	-	(4,648)
Total expenditures	11,963	18,000	\$ 18,000	\$ -
Receipts over (under) expenditures	4,463	(3,510)		
Unencumbered cash, beginning of year	41,153	45,616	\$ 45,653	\$ (37)
Unencumbered cash, end of year	\$ 45,616	\$ 42,106	\$ 45,653	\$ (3,547)

See Independent Auditor's Report.

CITY OF ENSIGN, KANSAS

SEWER FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES - ACTUAL AND BUDGET
REGULATORY BASIS

For the Year Ended December 31, 2012
(With Comparative Actual Totals for the Prior Year Ended December 31, 2011)

		2012		Variance
	2011	Actual	Budget	favorable (unfavorable)
Cash receipts:				
Charges for service	\$ 13,420	\$ 28,014	\$ 11,000	\$ 17,014
Expenditures:				
Salaries and benefits	3,000	3,000	\$ 3,000	\$ -
Licenses and permits	343	-	1,400	1,400
Repairs and maintenance	157	-	25,000	25,000
Contract labor	150	-	-	-
Transfer to General fund	-	3,000	-	(3,000)
Total expenditures	3,650	6,000	\$ 29,400	\$ 23,400
Receipts over (under) expenditures	9,770	22,014		
Unencumbered cash, beginning of year	38,556	48,326	\$ 39,655	\$ 8,671
Unencumbered cash, end of year	\$ 48,326	\$ 70,340	\$ 21,255	\$ 49,085

See Independent Auditor's Report.